



Republic of the Philippines
Supreme Court
Manila

SUPREME COURT OF THE PHILIPPINES
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BY: HEURY
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EN BANC

**RG CABRERA CORPORATION,
INC.,**

Petitioner,

G.R. No. 231015

Present:

- versus -

PERALTA, C.J.,
PERLAS-BERNABE,
LEONEN,*
CAGUIOA,
GESMUNDO,
HERNANDO,
CARANDANG,
LAZARO-JAVIER,
INTING,
ZALAMEDA,
LOPEZ,
DELOS SANTOS,
GAERLAN, and
ROSARIO, JJ.

**DEPARTMENT OF PUBLIC
WORKS AND HIGHWAYS and
COMMISSION ON AUDIT,**

Respondents.

X-----X

**RG CABRERA CORPORATION,
INC., a.k.a. RG CABRERA
CONSTRUCTION, INC. and RG
CABRERA SR TRUCKING
CORPORATION,**

Petitioner,

G.R. No. 240618

- versus -

**DEPARTMENT OF PUBLIC
WORKS AND HIGHWAYS and
COMMISSION ON AUDIT,**

Respondents.

X-----X

* On official business.

**RG CABRERA CORPORATION,
INC., a.k.a. RG CABRERA
CONSTRUCTION AND
SUPPLIES and RG CABRERA SR
TRUCKING CORPORATION,**
Petitioner,

G.R. No. 249212

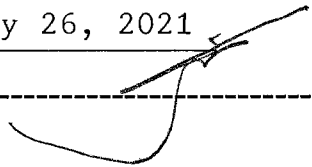
- versus -

**DEPARTMENT OF PUBLIC
WORKS AND HIGHWAYS and
COMMISSION ON AUDIT,**
Respondents.

Promulgated:

January 26, 2021

X-----X



DECISION

DELOS SANTOS, J.:

Before this Court are consolidated Petitions¹ for *Certiorari* under Rule 64 in relation to Rule 65 of the Rules of Court docketed as G.R. Nos. 231015,² 240618,³ and 249212.⁴

The first Petition, docketed as G.R. No. 231015, is filed by RG Cabrera Corporation, Inc. (RGCCI), against the Department of Public Works and Highways (DPWH) and Commission on Audit (COA; collectively, respondents) seeking the reversal of Decision No. 2015-411⁵ dated December 28, 2015 and Resolution No. 2017-010⁶ dated February 27, 2017 of the COA in COA CP Case No. 2013-050.

The second Petition, G.R. No. 240618, filed by RGCCI against the DPWH and the COA, seeks the reversal of Decision No. 2017-094⁷ dated April 26, 2017 and Resolution No. 2018-046⁸ dated March 8, 2018 of the COA in COA CP Case No. 2012-116.

¹ This Court consolidated the petitions in our Resolution dated January 15, 2020; see *rollo* (G.R. No. 240618), p. 167.
² Petition for Review on *Certiorari* filed by RG Cabrera Corporation, Inc., *rollo* (G.R. No. 231015), pp. 3-16.
³ Petition for Review on *Certiorari* filed by RG Cabrera Corporation, Inc. aka. RG Cabrera Construction, Inc. & RG Cabrera Sr. Trucking Corporation, *rollo* (G.R. No. 240618), pp. 3-22.
⁴ Petition for Review on *Certiorari* filed by RG Cabrera Corporation, Inc. aka. RG Cabrera Construction and Supplies & RG Cabrera Sr. Trucking Corporation, *rollo* (G.R. No. 249212), pp. 3-20.
⁵ *Rollo* (G.R. No. 231015), pp. 20-25.
⁶ *Id.* at 26.
⁷ *Rollo* (G.R. No. 240618), pp. 24-29.
⁸ *Id.* at 30.



Lastly, in G.R. No. 249212, filed by RGCCI against the COA and the DPWH, RGCCI seeks to overturn Decision No. 2016-480⁹ dated December 29, 2016 and Resolution No. 2019-378¹⁰ dated August 22, 2019 of the COA in COA CP Case No. 2013-049.

The Facts

Sometime in June 1991, Mount Pinatubo erupted generating several meters of volcanic ash which crippled the areas of Pampanga, Zambales, and Tarlac. The said catastrophic occurrence brought about lahar after monsoon rains washed away volcanic deposits from the eruption.¹¹

Accordingly, this led to the creation of Task Force Mount Pinatubo Rehabilitation Projects (Task Force), headed by its Chairman, Vicente B. Lopez (Chairman Lopez), Regional Director of Region III, DPWH.¹²

Chairman Lopez authorized the District Engineer of the DPWH Pampanga 2nd Engineering District, Guagua, Pampanga (DPWH Pampanga) to hire bulldozers to be utilized for the maintenance and preservation of the Porac-Gumain River and other related projects. Pursuant to the foregoing, DPWH Pampanga entered into various contracts with RGCCI for the lease of equipment for the maintenance and restoration of parts of the Porac-Gumain Diversion Channel System. The contracts entered into by RGCCI and the DPWH are the following:

1. lease on one (1) unit of payloader 75B at the rental rate of ₱835.00 per hour for a period of 60 days in the amount of ₱313,542.50 plus interest to be counted from the date of last demand until full payment of the obligation;¹³
2. construction of a dike by bulldozing the Porac River, Ascomopulunmasle, Guagua, Pampanga from Sta. 0+580 to Sta. 1+500 for the total contract amount of ₱2,113,470.84, where the remaining balance is ₱1,574,580.50;¹⁴ and
3. the excavation of channel, pushing and diking of Gumain River, Floridablanca, Pampanga, from Sta. 1+1000 to Sta. 1+750, amounting to ₱1,853,836.20.¹⁵

⁹ *Rollo* (G.R. No. 249212), pp. 22-28.

¹⁰ *Id.* at 29-34.

¹¹ *Rollo* (G.R. No. 240618), p. 153.

¹² *Id.*

¹³ *Id.* at 154.

¹⁴ *Id.* at 6-7.

¹⁵ *Rollo* (G.R. No. 249212), pp. 6-7.

RGCCI sought the collection of all the unpaid amounts from the DPWH. However, despite several demands, RGCCI's request remained unheeded.

This drove RGCCI to file three (3) civil cases for the collection of sum of money before the Regional Trial Court (RTC) of Guagua, Pampanga, against the Secretary and Engineers of the DPWH. All the cases were eventually dismissed by the RTC for lack of jurisdiction without prejudice to the filing of the claim before the COA.¹⁶

Undeterred, RGCCI filed separate claims before the COA which were docketed as COA CP Case Nos. 2013-050, 2012-116, and 2013-049, respectively.¹⁷

In its Answer,¹⁸ the DPWH claimed that the contracts were null and void due to the fact that it is unauthorized and not supported with complete documentation to be compliant with the requirements of the law. Among others, it points to the lack of Certificate of Availability of Funds signed by the proper accounting official which is an integral part of a contract pursuant to Section 87 of Presidential Decree No. (PD) 1445.¹⁹

Ruling of the COA

Decision No. 2015-411

In its Decision²⁰ dated December 28, 2015, the COA reiterated that the claims against government funds should be supported with complete documentation and that even though there was a contract between RGCCI and DPWH Pampanga, RGCCI must first show, through competent evidence, its indisputable right to collect the same which cannot be proven by mere contract alone.

The COA zeroed in on the alleged failure of RGCCI to attach the Certificate of Availability of Funds signed by the proper accounting official and auditor who verified it. According to the COA, this rendered the contract void pursuant to Section 87 of PD 1445 and therefore, RGCCI has no cause of action against DPWH Pampanga. Thus, the dispositive portion reads:

¹⁶ *Rollo* (G.R. No. 240618), p. 154.

¹⁷ *Id.* at 154-155.

¹⁸ *Rollo* (G.R. No. 231015), pp. 54-63; (G.R. No. 240618), pp. 105-106; (G.R. No. 249212), pp. 67-76.

¹⁹ Government Auditing Code of the Philippines.

²⁰ *Rollo* (G.R. No. 231015), pp. 20-25.

WHEREFORE, premises considered, the petition for money claim filed by RG Cabrera Corporation Incorporated, represented by Mr. Ruben G. Cabrera, against the Department of Public Works and Highways Pampanga 2nd District Engineering Office for payment of rental fees of the equipment used in the maintenance of the detour road at Mancatian, Porac, Pampanga, in the amount of [P]313,542.50 plus interest, is hereby **DENIED** for lack of merit.²¹

RGCCI moved for reconsideration but the same was denied by the COA in its Resolution No. 2017-010²² dated February 27, 2017.

Decision No. 2017-094

In its Decision No. 2017-094²³ dated April 26, 2017, the COA dismissed the complaint of RGCCI on the ground that the contract between RG Cabrera Construction and the DPWH is defective.

Based on the records, the COA found that RGCCI has no juridical personality since the Securities and Exchange Commission (SEC) certified that their records do not show the registration of RGCCI as a corporation or as a partnership. Moreover, there is no proof that RG Cabrera Construction, Inc., which is the name of the corporation that transacted with the DPWH is one and the same with RGCCI.²⁴

Additionally, the COA noted that there is nothing in the records that shows that the proper accounting official certified that funds have been duly appropriated for the amount necessary to cover the proposed contract. Therefore, the subject contract is void, it being entered without the necessary appropriation for the project.²⁵

Aside from that, the COA mentioned that certain necessary documents are lacking such as Statement of Work Accomplished, Inspection Report by the Agency's Authorized Engineer, Statement of Time Elapsed, Pictures (before, during, and after construction of items of work), and Photocopy of vouchers of all previous payments, which are needed under Section 4(6) of PD 1445 for purposes of complete documentation.²⁶

The dispositive portion of the assailed Decision reads:

²¹ Id. at 24.

²² Id. at 26.

²³ *Rollo* (G.R. No. 240618), pp. 24-29.

²⁴ Id. at 26-27.

²⁵ Id. at 27.

²⁶ Id. at 28.

WHEREFORE, premises considered, the Petition for Money Claim of RG Cabrera Corporation, Inc., represented by Ruben V. Cabrera, Jr., against Department of Public Works and Highways (DPWH), Port Area, Manila and DPWH 2nd Pampanga Engineering District, San Antonio, Guagua, Pampanga, for and payment of the outstanding balance for the bulldozing of Porac River, Ascomo Pulungmasle, Guagua, Pampanga, from Sta. 0+580 to Sta. 1+500, amounting to [P]1,574,580.50, plus legal interest, from the date of last demand until full payment is hereby **DENIED** for lack of merit.²⁷

RGCCI moved for reconsideration but the same was denied by the COA in its Resolution No. 2018-046²⁸ dated March 8, 2018.

Decision No. 2016-480

In its Decision²⁹ dated December 29, 2016, the COA decided to deny the money claim. Based on the records, it found that RGCCI has no *locus standi* to file the petition. The COA also raised that the name of the accountant appearing in all the pages of the contract has no corresponding signature and that no certificate of availability of funds can be found showing that the accountant certified that the funds have been duly appropriated for the amount necessary to cover the contract. Absent these, the contract is void.³⁰

Again, as in the other cases, the COA mentioned that complete documents are necessary in order to show that the contractor was able to deliver their service, such as Statement of Work Accomplished, Inspection Report by the Agency's Authorized Engineer, Statement of Time Elapsed, Pictures (before, during, and after construction of items of work), and Photocopy of vouchers of all previous payments. The dispositive portion of the assailed Decision reads:

WHEREFORE, premises considered, the Petition for Money Claim of RG Cabrera Corporation, Inc., represented by Ruben V. Cabrera, Jr., against the Department of Public Works and Highways (DPWH), Port Area, Manila, and DPWH 2nd Pampanga Engineering District, for payment of the outstanding balance relative to the Excavation of Channel, Pushing and Diking of Gumain River, Floridablanca, Pampanga, from Sta. 1+000 to Sta. 1+750, amounting to [P]1,853,836.20, plus legal interest from the date of last demand until full payment, is hereby **DENIED** for lack of merit.³¹

²⁷ Id.

²⁸ Id. at 90.

²⁹ *Rollo* (G.R. No. 249212), pp. 22-28.

³⁰ Id. at 25-26.

³¹ Id. at 27.

RGCCI filed a motion for reconsideration dated December 29, 2016, but was denied in Resolution³² No. 2019-378.

Hence, three (3) Petitions for *Certiorari* were filed by RGCCI before this Court docketed as G.R. Nos. 231015, 240618, and 249212, respectively. Respondents filed their Comment³³ on September 18, 2017 for G.R. No. 231015. Likewise, on November 5, 2019, in G.R. No. 240618, respondents filed their Comment³⁴ and a Reply³⁵ dated December 6, 2019 was filed by RGCCI.

In a Resolution³⁶ dated January 15, 2020, the Court *En Banc* ordered that G.R. Nos. 231015, 240618, and 249212 be consolidated.

Thereafter, respondents filed a Comment³⁷ dated June 11, 2020 for G.R. No. 249212. Subsequently, RGCCI filed its Reply³⁸ dated August 24, 2020 for G.R. No. 249212.

The Issues

The issues for the Court's resolution are:

- 1.) WHETHER RGCCI HAS *LOCUS STANDI* TO FILE THE INSTANT PETITIONS;
- 2.) WHETHER THE COA ERRED WHEN IT DENIED RGCCI'S MONEY CLAIM ON THE BASIS OF THE CONTRACT BEING VOID FOR BEING ENTERED INTO WITHOUT THE NECESSARY APPROPRIATION AND INCOMPLETE DOCUMENTATION; and
- 3.) WHETHER RGCCI IS ENTITLED TO PAYMENT ON THE BASIS OF *QUANTUM MERUIT*.

In its petitions, RGCCI contends that the requirements of certification of availability of funds, prior appropriations before entering into a contract, and authority of officers to enter into contracts are mere technical

³² Id. at 29-34.

³³ *Rollo* (G.R. No. 231015), pp. 109-117.

³⁴ *Rollo* (G.R. No. 240618), pp. 136-147.

³⁵ Id. at 158-163.

³⁶ Id. at 167-168.

³⁷ Id. at 176-188.

³⁸ *Rollo* (G.R. No. 249212), pp. 162-167.

requirements, non-compliance of which will not bar recovery on the basis of *quantum meruit* by the contractor because the contract is not void but only voidable. Moreover, denial of its claims will result in unjust enrichment in favor of the government after RGCCI faithfully performed its undertakings under the contract.³⁹

On the issue of its identity as the party entitled to payment, RGCCI contends that that RGCCI, RG Cabrera Construction and Supplies, and RG Cabrera, Sr. Trucking Corporation are one and the same corporation and therefore, there is no real and pressing issue on the matter of RGCCI's personality as a real party-in-interest.⁴⁰

On the other hand, respondents, represented by the OSG, insist that the money claim was properly denied. Respondents assert that RGCCI has no legal standing to file a money claim before the COA considering that it is an inexistent corporation under the law.⁴¹ Respondents also claim that the contracts, which were executed without the proper certification of availability and appropriation of funds, which are indispensable requirements under Section 87, in relation to Sections 85 and 86 of PD 1445, are void.⁴² Additionally, respondents assert that RGCCI's claim was denied by the COA because it failed to present complete documentation which could serve as a basis to determine the existence of the projects, thus, payment of the money claim was properly denied.⁴³

The Court's Ruling

The petitions are meritorious.

First, We shall delve into the procedural aspect of the instant cases as to whether RGCCI has legal standing or *locus standi* to file the petitions.

In private suits, *locus standi* requires a litigant to be a "real party in interest," which is defined as "the party who stands to be benefited or injured by the judgment in the suit or the party entitled to the avails of the suit."⁴⁴

³⁹ *Rollo* (G.R. No. 231015), pp. 14-15; (G.R. No. 240618), pp. 10-21; (G.R. No. 249212), pp. 11-16.

⁴⁰ *Rollo* (G.R. No. 249212), pp. 10-11.

⁴¹ *Rollo* (G.R. No. 240618), pp. 139-141; (G.R. No. 249212), pp. 111-112.

⁴² *Rollo* (G.R. No. 231015), pp. 112-115; (G.R. No. 240618), pp. 141-144; (G.R. No. 249212), pp. 112-116.

⁴³ *Id.*

⁴⁴ *Planters Products, Inc. v. Fertiphil Corp.*, 572 Phil. 270, 287 (2008).

Section 2, Rule 3 of the Rules of Court defines a real party-in-interest as follows:

SEC. 2. *Parties in interest.* — A real party in interest is the party who stands to be benefited or injured by the judgment in the suit, or the party entitled to the avails of the suit. Unless otherwise provided by law or these Rules, every action must be prosecuted or defended in the name of the real party in interest.

The Court in *Goco v. Court of Appeals*⁴⁵ discussed:

This provision has two requirements: 1) to institute an action, the plaintiff must be the real party in interest; and 2) the action must be prosecuted in the name of the real party in interest. *Interest* within the meaning of the Rules of Court means material interest or an interest in issue to be affected by the decree or judgment of the case, as distinguished from mere curiosity about the question involved. One having no material interest cannot invoke the jurisdiction of the court as the plaintiff in an action. When the plaintiff is not the real party in interest, the case is dismissible on the ground of lack of cause of action.⁴⁶

In the instant cases, it is clear that RGCCI, RG Cabrera Construction and Supplies, and RG Cabrera, Sr. Trucking Corporation are one and the same entity and therefore, can be considered as a real party-in-interest who stands to be benefited or injured by the judgment in the suit. First of all, the names of the corporations stated contain the name of the deceased family patriarch, Ruben G. Cabrera. Secondly, all of the corporations use the Cabrera ancestral house at L&M Subdivision, Guagua, Pampanga as their address. Lastly, the corporations are composed of the same family members. In sum, it is immaterial as to under which name the DPWH directs its payment because ultimately, the payment will end in the hands of the performer of the services under the contract, thus, extinguishing the obligation.

Nevertheless, even if there may have been oversight on the part of RGCCI when it failed to strictly comply with the proper documentation requirements, this cannot be considered substantial enough to warrant the denial of their claim. It must be remembered that procedural rules are not intended to hamper litigants or complicate litigation but, indeed, to provide for a system under which suitors may be heard in the correct form and manner and at the prescribed time in a peaceful confrontation before a judge whose authority they acknowledge.⁴⁷

⁴⁵ 631 Phil. 394 (2010).

⁴⁶ Id. at 403.

⁴⁷ *Santos v. Court of Appeals*, 275 Phil. 894, 898 (1991).

Now, We shall proceed to the substantive aspect of these cases.

At the onset, the COA's denial of the money claims was primarily premised upon the lack of prior certification as to the availability of funds. The COA cites, as basis of its decision, Sections 86 and 87 of PD 1445, to wit:

SECTION 86. *Certificate Showing Appropriation to Meet Contract.* — Except in the case of a contract for personal service, for supplies for current consumption or to be carried in stock not exceeding the estimated consumption for three months, or banking transactions of government-owned or controlled banks, no contract involving the expenditure of public funds by any government agency shall be entered into or authorized unless the proper accounting official of the agency concerned shall have certified to the officer entering into the obligation that funds have been duly appropriated for the purpose and that the amount necessary to cover the proposed contract for the current fiscal year is available for expenditure on account thereof, subject to verification by the auditor concerned. The certificate signed by the proper accounting official and the auditor who verified it, shall be attached to and become an integral part of the proposed contract, and the sum so certified shall not thereafter be available for expenditure for any other purpose until the obligation of the government agency concerned under the contract is fully extinguished.

SECTION 87. *Void Contract and Liability of Officer.* — Any contract entered into contrary to the requirements of the two immediately preceding sections shall be void, and the officer or officers entering into the contract shall be liable to the government or other contracting party for any consequent damage to the same extent as if the transaction had been wholly between private parties.

Indeed, the existence of the appropriation and certification as to the availability of funds together with the written contract is vital and necessary for the execution of government contracts. Nevertheless, the mere absence of these documents would not necessarily rule out the possibility of the contractor receiving payment for the services rendered for the government.⁴⁸

In a long line of cases decided by this Court, it did not withhold the grant of compensation to a contractor notwithstanding the dearth of the necessary documents, provided the contractor substantially shows performance of the obligation under the contract.

In *Eslao v. Commission on Audit*,⁴⁹ on the basis of justice and equity, the Court granted compensation on the basis of *quantum meruit* to the contractor for an almost fully completed project even if there was failure on

⁴⁸ See *Geronimo v. Commission on Audit*, G.R. No. 224163, December 4, 2018.

⁴⁹ 273 Phil. 97 (1991).

the part of the contractor to undertake a public bidding. The Court reasoned that denial of the claim would be to allow the government to unjustly enrich itself at the expense of another.

Similarly, in *EPG Construction Co. v. Vigilar*,⁵⁰ citing *Eslao*, the Court granted recovery on the basis of *quantum meruit* even without a written contract and corresponding appropriations covering the contract cost, to wit:

Interestingly, this case is not of first impression. In *Eslao vs. Commission on Audit*, this Court likewise allowed recovery by the contractor on the basis of *quantum meruit*, following our pronouncement in *Royal Trust Construction v. Commission on Audit*, thus:

“In *Royal Trust Construction vs. COA*, a case involving the widening and deepening of the Betis River in Pampanga at the *urgent request of the local officials and with the knowledge and consent of the Ministry of Public Works, even without a written contract and the covering appropriation*, the project was undertaken to prevent the overflowing of the neighboring areas and to irrigate the adjacent farmlands. The contractor sought compensation for the completed portion in the sum of over P1 million. While the *payment was favorably recommended by the Ministry of Public Works*, it was denied by the respondent COA on the ground of violation of mandatory legal provisions as the existence of corresponding appropriations covering the contract cost. Under COA Res. No. 36-58 dated November 15, 1986, its existing policy is to allow recovery from covering contracts on the basis of *quantum meruit* if there is delay in the accomplishment of the required certificate of availability of funds to support a contract.”⁵¹ (Italics in the original, citations omitted)

In *Royal Trust Construction v. Commission on Audit*,⁵² this Court, applying the principle of *quantum meruit* in allowing recovery by the contractor, ruled that:

The work done by it (the contractor) was impliedly authorized and later expressly acknowledged by the Ministry of Public Works, which has twice recommended favorable action on the petitioner's request for payment. *Despite the admitted absence of a specific covering appropriation as required under COA Resolution No. 36-58, the petitioner may nevertheless be compensated for the services rendered by it, concededly for the public benefit*, from the general fund allotted by law to the Betis River project. Substantial compliance with the said resolution, in

⁵⁰ 407 Phil. 58 (2001).

⁵¹ Id. at 61-62.

⁵² G.R. No. 84202, November 23, 1988 (Resolution of the Supreme Court *En Banc*).

view of the circumstances of this case, should suffice. *The Court also feels that the remedy suggested by the respondent, to wit, the filing of a complaint in court for recovery of the compensation claimed, would entail additional expense, inconvenience and delay which in fairness should be imposed on the petitioner.*

*Accordingly, in the interest of substantial justice and equity, the respondent Commission on Audit is DIRECTED to determine on a quantum meruit basis the total compensation due to the petitioner for the services rendered by it in the channel improvement of the Betis River in Pampanga and to allow the payment thereof immediately upon completion of the said determination.*⁵³ (Emphases ours)

Furthermore, in *Melchor v. Commission on Audit*,⁵⁴ the Court nevertheless upheld the payment to the contractor of the cost of the construction of a public school building even if the contract lacked the signature of the chief accountant as witness to the contract. The Court reasoned that it would be unjust for the government not to shoulder the expenditure after it had already received and accepted benefits from the utilization of the project.

By the same token, the case of *DPWH v. Quiwa*,⁵⁵ citing *EPG Construction*, upheld the right of the contractors for compensation *in the interest of substantial justice*, contractors' right to be compensated under void contracts that have been completed, and from which the government had already benefited despite violation of applicable laws, auditing rules and lack of legal requirements, thus:

Although this Court agrees with respondent's postulation that the "implied contracts", which covered the additional constructions, are void, in view of violation of applicable laws, auditing rules and lack of legal requirements, we nonetheless find the instant petition laden with merit and uphold, *in the interest of substantial justice*, petitioners-contractors' right to be compensated for the "additional constructions" on the public works housing project, applying the *principle of quantum meruit*.⁵⁶ (Emphasis ours, italics in the original)

Intriguingly, the case of *Quiwa* falls squarely in the cases at bar. The case of *Quiwa* also involved rehabilitation efforts on the part of the DPWH after certain areas were inundated by lahar after the Mount Pinatubo eruption. In *Quiwa*, the Court allowed the contractor to recover payments for channeling, desilting, and diking works based on the construction agreement even if the agreement was void for not having been approved by

⁵³ Id.

⁵⁴ 277 Phil. 801 (1991).

⁵⁵ 675 Phil. 9 (2011).

⁵⁶ Id. at 25.

the proper authority and for not complying with the requirement of certification of availability of funds. It must be noted that like in *Quiwa*, the cases at bar involves a money claim of a contractor who performed services and provided equipment in the aftermath of the Mount Pinatubo eruption where its services redounded to the benefit of the government.

The DPWH, however, contends that RGCCI is not entitled to compensation on the basis of *quantum meruit* because there was no clear and convincing proof that the projects were undertaken or accomplished and that there was a clear benefit derived by the government agency or the public from the said projects.⁵⁷

This is clearly without merit.

While it is true that factual findings of quasi-judicial agencies, such as the COA, which have acquired expertise in matters entrusted to their jurisdictions are accorded not only respect but finality by this Court if supported by substantial evidence,⁵⁸ there was no categorical statement from the COA's findings that would imply that no project or work was done by RGCCI. The COA merely pounds on the lack of supporting documents to justify the denial of the claim.

On the contrary, the evidence presented by RGCCI proves that it has performed its obligation under the contract.

For instance, in G.R. No. 231015, RGCCI was able to show a copy of the Disbursement Voucher⁵⁹ dated July 27, 1992 for the amount of ₱313,542.50 intended as payment for the claim subject of the petition which was signed by the Chief of the Maintenance Section of the DPWH Pampanga whose office was in charge of the use of the payloader for which RGCCI is claiming payment. The voucher is concrete evidence that RGCCI has completed what has been required of it under the contract.

In G.R. No. 249212, RGCCI was able to provide a Certificate of Final Inspection⁶⁰ dated June 22, 1992 which certifies that the project was found to be 100% complete in accordance with plans and specifications as of June 15, 1992 and was signed by at least six (6) officials of the DPWH.

⁵⁷ *Rollo* (G.R. No. 231015), pp. 113-115; (G.R. No. 240618), pp. 144-145; (G.R. No. 249212), pp. 113-116.

⁵⁸ *Marcopper Mining Corp. v. Bumolo*, 401 Phil. 878, 883 (2000).

⁵⁹ *Rollo* (G.R. No. 231015), pp. 34-35

⁶⁰ *Rollo* (G.R. No. 249212), p. 44.

Lastly, in G.R. No. 240618, like in G.R. No. 249212, RGCCI was able to show a Certificate of Project Completion⁶¹ dated July 22, 1992. Furthermore, there was already a partial payment of the contract price in the amount of ₱538,890.33 leaving a balance of only ₱1,574,580.50 because of the lack of funds of the DPWH and alleged problem in documentation despite the completion of the project. The payment of the DPWH, albeit partial, shows that there was indeed construction work done by RGCCI.

From the foregoing, it is evident that the correspondence presented by RGCCI unquestionably established the completion of the projects and the liability of the DPWH. These projects unmistakably redounded to the benefit of the public, specifically the victims of lahar from the Mount Pinatubo eruption.

All told, it would be the height of inequity not to award compensation to RGCCI after heeding the call of emergency to address a calamity nearly three (3) decades ago. Certainly, We do not countenance any form of abuse that the state may perpetrate especially to an entity which has come to its aid in a time of misfortune.


WHEREFORE, in consideration of the foregoing disquisitions, the consolidated Petitions are **GRANTED**. The Decision No. 2015-411 dated December 28, 2015 and Resolution No. 2017-010 dated February 27, 2017 in COA CP Case No. 2013-050; Decision No. 2017-094 dated April 26, 2017 and Resolution No. 2018-046 dated March 8, 2018 in COA CP Case No. 2012-116; and Decision No. 2016-480 dated December 29, 2016 and Resolution No. 2019-378 dated August 22, 2019 in COA CP Case No. 2013-049 of the Commission on Audit are hereby **REVERSED** and **SET ASIDE**. The Department of Public Works and Highways is hereby ordered the following:

1. To approve the subject claims of petitioner RG Cabrera Corporation, Inc. in the total amount of ₱313,542.50 plus interest at the legal rate for G.R. No. 231015;
2. To pay petitioner RG Cabrera Corporation, Inc. its claim in the amount of ₱1,574,580.50 plus interest until fully paid for G.R. No. 240618; and
3. To pay petitioner RG Cabrera Corporation, Inc. its claim in the amount of ₱1,853,836.20 plus interest from July 22, 1992 until fully paid for G.R. No. 249212.

⁶¹ *Rollo* (G.R. No. 240618), p. 42.

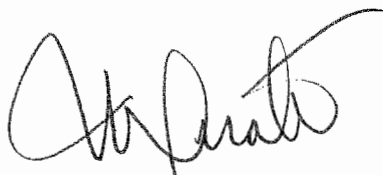
This disposition is without prejudice to any criminal and administrative action against erring Department of Public Works and Highways officials for violation of the law, if any.

SO ORDERED.




EDGARDO L. DELOS SANTOS
Associate Justice

WE CONCUR:

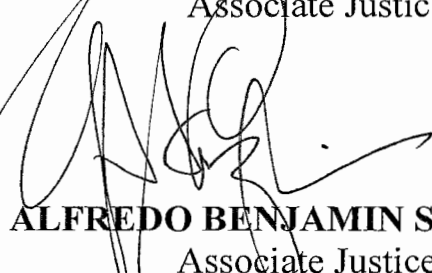


DIOSDADO M. PERALTA
Chief Justice

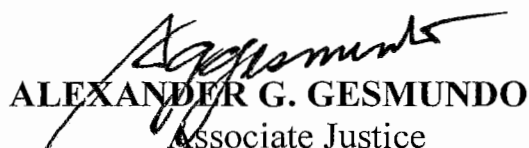


ESTELA M. PERLAS-BERNABE
Associate Justice

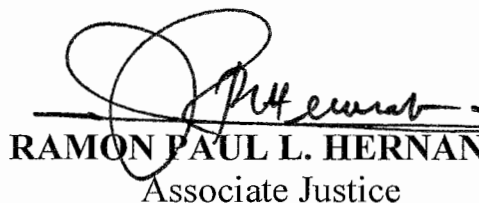
(On Official Business)
MARVIC M.V.F. LEONEN
Associate Justice



ALFREDO BENJAMIN S. CAGUIOA
Associate Justice



ALEXANDER G. GESMUNDO
Associate Justice



RAMON PAUL L. HERNANDO
Associate Justice




ROSMARI D. CARANDANG
Associate Justice



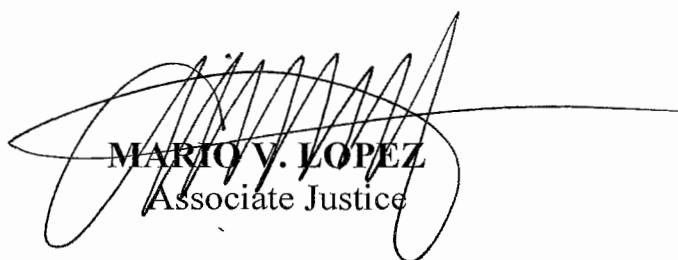
AMY C. LAZARO-JAVIER
Associate Justice




HENRI JEAN PAUL B. INTING
Associate Justice




RODIL V. ZALAMEDA
Associate Justice



MARIO V. LOPEZ
Associate Justice



SAMUEL H. GAERLAN
Associate Justice



RICARDO B. ROSARIO
Associate Justice

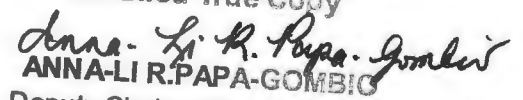
CERTIFICATION

I certify that the conclusions in the above Decision had been reached in consultation before the cases were assigned to the writer of the opinion of the Court.



DIOSDADO M. PERALTA
Chief Justice

Certified True Copy



ANNA-LI R. PAPA-GOMBIO
Deputy Clerk of Court En Banc
OCC En Banc, Supreme Court